Switzerland in respect of the time-schedules for the elimination of residual quantitative restrictions on imports maintained for balance of payments purposes. Negotiations towards a mutually satisfactory solution with Australia and New Zealand are in an advanced stage. At the request of the USA, a panel has been constituted on 18 November 1997 to examine the US allegation that the continued maintenance of quantitative restrictions on imports by India is inconsistent with India's obligations under the WTO Agreement.

Cuts in PLR by Banks/FI

*56 SHRI A.C. JOS : Will the Minister of FINANCE be pleased to state:

(a) whether various banks and financial institutions have started announcing cut in their prime lending rates (PLR) on commercial loans following the direction set by the Busy Season Credit Policy of the RBI;

(b) if so, the details thereof; and

(c) the impact, this measure will have on industrial production?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) The Reserve Bank of India (RBI) has reported that following the announcement of monetary and credit policy for the second half of 1997–98 on October 21, 1997, several commercial banks and major financial institutions have further reduced their Prime Lending Rates (PLRs) as indicated below:—

Prime Lending Rates (PLRs)

Sr. No.	Type of bank/financial institutions	PLR before busy season policy	PLR after busy season policy	No. of banks announcing change
1.	Public Sector	13.5–15.0	12.5–13.5	14
2.	Private sector	14.0–17.0	13.0–14.0	7
3.	Foreign banks	14.5–17.5	14.0–15.0	14
4.	IDBI	14.5	12.5–13.5	—
5.	IFCI	14.5	12.5–13.5	—
6.	ICICI	12.5–14.5	12.0–13.5	—
7.	SIDBI	14.0	12.5–13.0	—

The measures envisaged in the credit policy are expected to contribute to the growth in bank credit which in turn would increase industrial activity.

[Translation]

Rate of Inflation

*57. SHRI P.R. DASMUNSI : Will the Minister of FINANCE be pleased to state :

(a) whether consequent upon implementation of the recommendations of the Fifth Central Pay Commission, the rate of inflation would increase;

(b) if so, the extent to which it would increase; and

(c) its likely impact on the domestic market?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBRAM) : (a) to (c) The increase in the purchasing power of Central Government employees was expected to generate some buoyancy in demand. However, the effect so far has been limited and the current inflation rate continues to remain below 4 per cent itself is an 11-year low inflation rate.

[English]

Mini-Ratnas

*58. SHRI SANDIPAN THORAT :
SHRI SANAT MEHTA :

Will the Minister of INDUSTRY be pleased to state:

(a) the names and number of Public Sector Undertakings (PSUs) which have been given the special status of Mini-Ratnas;

(b) the criteria adopted to identify such PSUs;

(c) whether the Government have decided to grant financial and functional autonomy to such PSUs;

(d) if so, the details thereof; and

(e) the reaction of the Trade Unions in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (e) The Government have given Mini-Ratnas status to the public enterprises which have made profits continuously for the last three years, which have positive net worth, which have not defaulted in the repayment of loans and interest and which do not seek budgetary support from the Government. Based on the profitability and networth criteria, 95 PSUs, as per statement attached herewith have tentatively been identified as Mini-Ratnas. Final inclusion will be decided by the Administrative Ministries after checking all criteria, including non-default on Govt. loans. The Mini-Ratna enterprises have been delegated enhanced powers subject to certain guidelines issued in this regard, which include the powers to incur capital expenditure upto enhanced limits, to enter into joint ventures; to formalise technological and strategic alliances; to